

Office of the Inspector General

NSF Regional Grants Conference

March 13-14, 2006

Boulder, Colorado

Jim Evans, Special Agent, NSF-OIG

Karen Hamilton, Auditor, NSF-OIG

Paula Newett, AUSA, DOJ

Hosted by: The University of Colorado at Boulder

NSF

Paula Newett, Esq.

- ◆ Deputy Chief (Acting), Civil Division, United States Attorney's Office, EDVA
- ◆ Jurisdiction of EDVA
 - ✱ All NSF awards fall under our jurisdiction
 - ✱ Work with NSF OIG Investigators
 - ✱ Coordinate with agencies through OIG Investigators

NSF

ACE Unit Mission

- ◆ Affirmative Civil Enforcement (ACE) Unit
- ◆ Grant Fraud versus Procurement Fraud - -
the DoJ and USAO position
- ◆ Respond to broad array of civil frauds
 - * Health Care Fraud
 - * Grant Fraud
 - * Procurement Fraud

NSF

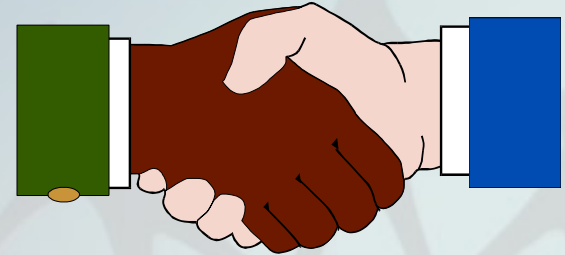
ACE Accomplishments

- ◆ Over \$200,000,000 recovered from contractors and grantees (2003-2005)
- ◆ Numerous compliance programs imposed as part of civil settlements
 - ✱ Directed by USAO
 - ✱ Monitored by affected agencies

NSF

How does OIG work with NSF and the Research Community?

- ♦ Investigates allegations of:
 - * fraud, waste, and abuse
 - * research misconduct
 - * violation of related regulation, directive, policy
- ♦ Conducts audits:
 - * Financial
 - * Performance
- ♦ Outreach
 - * informational brochures
 - * ethics seminars



NSF

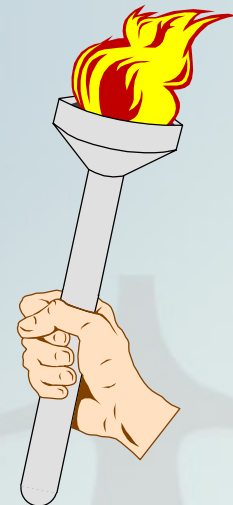
How might we interact with each other?

- ◆ Provide information as an advisor or expert
- ◆ Participate in performance and financial reviews
- ◆ Participate in OIG's or awardee's inquiry or investigation
- ◆ Participate in an Outreach seminar or training session
- ◆ Seek assistance to resolve issues and questions

NSF

Guiding Principles of Investigation

- ◆ Partnerships
- ◆ Confidentiality
- ◆ Focus on substantive issues
- ◆ Fair, accurate, and timely products
- ◆ Reliance on carefully documented evidence
- ◆ Prospective impacts



NSF

What do we do with allegations?

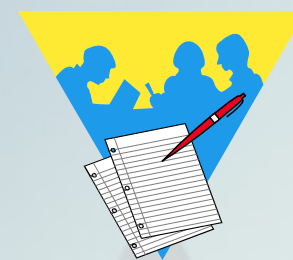


- ◆ Investigate criminal, civil, administrative allegations
- ◆ Refer to federal, state, local authorities; referral for audit
- ◆ Criminal or civil outcomes:
 - Fines; Settlements; Compliance Agreements; Incarceration for embezzlement, false statements, false claims
- ◆ Administrative outcomes:
 - Certification; Assurances; Debarments; Reprimand; Termination/Restriction on Awards

NSF

To what do you certify* when you submit a proposal?

- ◆ Compliance with award terms and conditions
- ◆ Accuracy and completeness of statements
- ◆ COI Policy
- ◆ Drug-Free Workplace
- ◆ Debarment and Suspension
- ◆ Lobbying (proposal >\$100,000)



*Providing False Information
Violates U.S. Code, Title 18,
Section 1001.

NSF

Outreach

- ◆ Seminars and case studies
 - ✱ For students, PIs, and administrators
 - ✱ Emphasize education and partnerships
 - ✱ NSF's and your institution's procedures
 - ✱ OIG web site contains training materials
 - ✱ brochures
- ◆ On-site assistance with matters related to Investigations and NSF activities

NSF

When should you contact us?

- ◆ Allegations of wrongdoing
 - ✱ Research misconduct
 - ✱ Financial fraud, theft that involves NSF or NSF-funded activities
 - ✱ Violation of research related regulations, directives, or policy
- ◆ Significant administrative or financial problems
- ◆ Or, to request an Outreach event or training session

The NSF logo is a large, faint watermark in the bottom right corner of the slide. It features a stylized gear or molecular structure with the letters "NSF" in a bold, serif font in the center.

NSF

Audit Efforts

- ◆ Financial Audits
- ◆ Performance Audits

The NSF logo is located in the bottom right corner of the slide. It features a stylized gear or sunburst design in the background, with the letters "NSF" in a bold, serif font in the foreground.

NSF

Audit Findings & Resolution

◆ Common Areas for Audit Findings

- ✱ Costs

- ✱ Award Administration

- ✱ Subrecipient Monitoring

- ✱ Cost Sharing

The NSF logo is a large, faint watermark in the bottom right corner of the slide. It features a stylized gear or sunburst design behind the letters "NSF".

NSF

Costs

- ◆ Allowable, reasonable, allocable, documented, consistent treatment of costs
 - * Unsupported Expenditures
 - Reimbursements not documented (invoices, etc.)
 - Time and Effort not timely, not signed/certified
 - * Unallowable Expenditures
 - Direct charges for costs in the indirect pool
 - Overload Salary (unless NSF-approved)
 - Meals, alcohol

NSF

Award Administration

- ✱ Financial Management System
 - Have procedures for determining allowability of costs
 - Obtain approvals
 - Compare budget to actual expenditures
- ✱ Document Participant Support per award
- ✱ Ensure Accuracy and Timeliness of Reporting and Notifications
- ✱ Maintain Equipment Inventory

The NSF logo is a large, faint watermark in the bottom right corner of the slide. It features a stylized gear or sunburst design with the letters "NSF" in a bold, serif font in the center.

NSF

Subrecipient Monitoring

Responsible for Program and Financial Oversight

- ✱ Ensure Award Terms/Federal Requirements Are Followed

- ✱ Assess and Monitor Subrecipient's Capability

- Reporting, site visits
- A-133 audits

- ✱ Ensure Timely and Appropriate Corrective Action

NSF

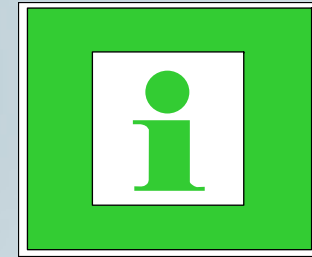
Cost sharing

- * No Federal Funds
- * Track Cost Sharing per Award (no duplication)
- * Documented and Certified (AOR >\$500,000)
 - Valuation at actual/fair market value
 - Report annual and cumulative amounts
 - Both Awardee and Subawardee cost sharing

NSF

How can I contact OIG?

- ♦ Internet: <http://www.nsf.gov/oig/>
- ♦ E-mail: oig@nsf.gov
- ♦ Phone: 703-292-7100
- ♦ Hotline: 1-800-428-2189
- ♦ Write: 4201 Wilson Blvd.
Arlington, VA 22230



NSF

Questions



NSF